

ABSTRACT OF THE DISCLOSURE

A system and method employing an allocation process for determining the number of server machines at each tier of a multiple tiered server system. The allocation process evaluates the number of server machines at each tier sufficient to achieve an average response time of a transaction request to be processed by the server system in response to changes in the average number of transaction requests. The allocation process also identifies shadow pricing enabling analysis of the cost associated with incremental changes in the average response time or other critical system resources.